United States Department of Justice
2005 Annual Report to Congress on Implementation of Public Law 106-107

To comply with the requirements of The Federal Financial Assistance Management Improvement Act of 1999 (Public Law 106-107, Αthe Act@), the United States Department of Justice (DOJ) hereby submits this annual report. This report is intended to outline the DOJ specific efforts and progress in implementing Public Law 106-107 thus far. The DOJ grant making entities include the Office of Justice Programs (OJP), the Office on Violence Against Women (OVW), and the Office of Community Policing Services (COPS).

Participation in the Government-wide Streamlining and Grants.gov Efforts

The DOJ has designated numerous individuals to participate in both the P.L. 106-107 and the Grants.gov initiatives (OVW representation is included in the participation of OJP). These individuals actively participate in the two designated interagency work groups (Pre-Award and Post Award) responsible for the streamlining and simplification process, as well as several sub-groups and specially formed teams. The efforts and accomplishments of these work groups are discussed in more depth in the government-wide portion of this report.

The DOJ is represented in both the Discretionary and Mandatory award subgroups under the Pre-Award work group. OJP staff participated in developing the standard format for funding announcements, and the core data elements (SF-424) in applications for discretionary awards. The Mandatory award subgroup is currently reviewing the discretionary data elements to determine their applicability for mandatory (formula and block) grant programs. The Pre-Award work group is also working to develop a standard format for discretionary awards, which will include government-wide terms and conditions that would be used across Federal agencies where the goal is to standardize administrative requirements.

In the Post Award workgroup, OJP had significant involvement (led financial reporting subgroup) in the creation of the Federal Financial Report (FFR) and in proposing changes to related OMB Circulars. The financial reporting proposal is intended to consolidate the Financial Status Report (SF-269) and the Federal Cash Transactions Report (SF-272) in a single report, the FFR. Most recipients of Federal grants are currently required to submit at least one of these reports under each award, with many recipients required to submit both. The FFR would accomplish the same purposes with a single form, allowing agencies to require all or only that portion of the information they need for their programs.

The Post-Award Reporting Subgroup completed its effort on the FFR, including developing recommended language for revision of the OMB Circular A-102 and A-110 (2 CFR part 215) guidance on financial reporting. The Subgroup delivered its products to OMB for review and issuance of *Federal Register* notices to finalize the form and propose the policy changes for public comment. The Post-Award Reporting Subgroup and OMB initiated plans for a pilot test of the final FFR to be conducted through the HHS Payment Management System (PMS).

The DOJ is beginning to explore a plan to establish a Public Safety Grants Management Consortium and provide automated grants information management services to other agencies, focused primarily, but not exclusively, on those with public safety missions. The OJP, OVW, COPS, and the Department of Homeland Security (DHS) are likely members and other agencies may also wish to join this Consortium.

This proposed automated system would satisfy the public safety grant program requirements for discretionary, entitlement, formula and block grants. The system will include the entire grants life cycle from application through award, grantee progress reporting and closeout, with universal accounting and payments system interfaces.

This initiative, scheduled for completion by the end of FY 2008, achieves the economies and efficiencies envisioned in the President's Management Agenda E-Government initiative for Grants Management consistent with the Grants Management Line of Business strategy.

Both OJP and COPS have been very active participants in the Grants.gov efforts.

Office of Justice Programs

In addition to the two designated work groups, the DOJ has devoted staff to other specially formed teams such as the "Grants Management Line of Business" team. An OJP employee represented the DOJ on the Grants Management Line of Business Task Force. This team performed an analysis of alternatives of different approaches to grants management systems, and developed a recommended "common solution" to the grants management line of business. Other staff have participated in the Grants Line of Business Architecture Work Sub Group, which reviewed the architectural review of the proposed Grants.gov approach alternatives. In addition, OJP signed a Memorandum of Understanding to participate in the Grants Management Line of Business Task Force on January 27, 2005.

The OJP Chief Information Officer represents the DOJ on the Grants Executive Board and coordinates information and activities with the other grant-making agencies in the Department.

The OJP submitted the FY 2005 Grants.gov Ramp-Up Schedule for the Grants Management System to Grants.gov stating that no new forms will be required for OJP to fully participate in Grants.gov.

The OJP participated in the review of the Proposed SF-424 version 2 data and forms and provided substantial comments to the working group in November 2004.

The OJP participated in the regular Grants.gov stakeholder meetings during the past year.

Community Oriented Policing Services

The COPS continued its commitment to Grants.gov by making the required payments in FY 2005. The COPS staff attend the Grants.gov stakeholder meetings and are active participants. The COPS staff met with Grants.gov Program Management Office (PMO) staff on several

occasions in FY 2005 in coordination with our agency specific forms development. These meetings along with several conference calls enabled the COPS Office and the Grants.gov PMO to establish an excellent working relationship which then led to the release of the COPS Office specific forms in May 2005.

Internal Efforts to Create an Environment Conducive to Grants Streamlining and Simplification and Assess Impact of Changes

General Approach

Office of Justice Programs

The Corporate User Group (CUG), comprised of representatives from all program and support offices, continues to meet bi-weekly to discuss current initiatives being undertaken to support E-Government. The OJP Comptroller is the designated P.L. 106-107 policy official for the DOJ and continues to brief the OJP Leadership Team on all current and future initiatives of the grants streamlining and simplification process, as appropriate. The DOJ keeps grant recipients informed of any new requirements through its Regional Financial Management Seminars.

In 2004, the web-based SF-269 system was implemented as a streamlining and automation initiative. This on-line system allows grantees to submit their Financial Status Reports (FSRs) over the Internet and view detailed information about their specific grant awards. This system improves the accuracy and timeliness of FSRs submitted by grantees. The implementation of this web-based SF-269 system resulted in savings of over 1 million pieces of paper per year and eliminated more than 56 million key strokes per year. This system also sends an e-mail notification to grantees reminding them when their SF-269 is due. Delinquent submission of these financial reports has the impact of withholding grant funds. By implementing the web-based SF-269, OJP has realized more efficient receipt and processing of these financial reports. The OJP has an in-house working group to address issues that impede 100% usage of the on-line system. The OJP intends to mandate on-line submission of FSRs in FY 2006.

The OJP continues to send automatic payment notification e-mails to both grantees and contractors when payments have been made. Also, OJP continues to utilize the Award Notification and Acceptance (ANA) module through the GMS to electronically issue an award instead of mailing it.

A grant forecasting tool was deployed to all desktops. A forecast of grants, projected start and completion dates and estimated number of applications is provided by grant managers for each grant at the beginning of each year. The information is then updated with actual performance data through an electronic feed form from GMS. This provides managers with an effective tool for monitoring the performance of each program and component.

The OJP OCIO has completed the following build out activities to support the streamlining of the decision and award process:

Progress Reporting Online Module - for the collection of performance and progress

reports. Delinquent progress reports can have the impact of withholding grant funds to the grantee until the progress reports are brought up to date. By implementing the online progress reports module, OJP has realized more efficient receipt and processing of the progress/performance reports.

SubGrant Online Reporting – for the Office of Juvenile Justice and Delinquency Prevention and the Office for Victims of Crime formula program grantees. These formula grant programs have rules associated with the expenditure of Federal grant money to subgrantees. These business rules are enforced by the software application and allow for greater access to the subgrants being made by the formula grant recipients.

Plans for training program office staff in the use of Grants.gov have been completed. The initial training is scheduled for August 2005, before the new applications are ready to be posted.

Community Oriented Policing Services

The COPS continues to include the P.L. 106-107 efforts in its Strategic Plan and demonstrates how it interacts with IT planning and budgeting by including information in the OMB Exhibit 300 document. E-Government and Management staff routinely provide updates on P.L. 106-107 to COPS Office staff and present training sessions on using Grants.gov for both grantees and grantors.

In January 2005, OMB approved the COPS Application Attachment to the SF-424. This agency specific form replaced 9 collection instruments that covered 11 different grant application forms. The new approved form was the product of a cross-divisional working group that reviewed and analyzed all the current application forms and presented a single form for OMB approval which can now be used on Grants.gov.

The COPS Office is currently updating the curriculum for the Grants Management Training sessions and the new application will be incorporated into them so that they can keep their grantees up to date on the progress with P.L. 106-107.

The COPS is in the final stages of creating a section on their Website for external customers that will provide information on P.L. 106-107 and the steps that COPS is taking to be in compliance with the statute. A similar webpage will also be added to the internal COPS Intranet so that staff can be kept current on this information.

The COPS is beginning to look at ways to measure the impact of the new application form by looking at application accuracy, data entry errors and basic processing time for the grant managers.

Coordination efforts with Grants.gov are included in the bi-weekly COPS newsletters (*DOJ CIO Infoshare*) to grantees and are also available to internal users. Details of the application streamlining effort were mentioned in the *DOJ CIO Infoshare* in FY 2005.

Implementing the Recent Changes Affecting the Pre-Award Process

Grants.govFIND:

Office of Justice Programs

The OJP posted 100% of its grant solicitations for discretionary competitive grants to Grants.gov Find for FY 2005. Several applicants indicated that the ability to search funding opportunities via subject type, agency, date and range, and receive notification of those funding opportunities was an extremely effective way to track funding opportunities.

Office of Community Oriented Policing Services

In FY 2005, 100 percent of all eligible funding opportunities for the COPS Office were posted via the Grants.gov FIND site. Applicants have indicated that the ability to search multiple funding opportunities at one time from multiple agencies was an extremely effective way of searching for grant opportunities. Applicants were also pleased with the fact that they would automatically be notified of any modifications to the announcements.

Announcement Template

The OJP continues to use the announcement template for all its competitive discretionary announcements.

The appropriate COPS staff has been trained on the new announcement template and all grant solicitations are posted using this template. The E-Government Program Manager supervises the posting of all announcements to ensure compliance with the template. Program staff has been trained in the new template to ensure that all announcements provided for electronic postings need minimal, if any revisions. The COPS staff has found that they were able to reach applicants faster when using the Announcement Template on the Grants.govFIND module. The COPS applicants liked having a point of contact listed for the announcement, as well as, a contact for online questions. By using the template, the COPS Office was able to notify the applicants of new programs much more quickly than relying on the old process of paper-based notice of funding availability (NOFAs). The COPS plans to stop publishing these announcements in the Federal Register in FY 2006 and will track the expected cost savings.

Grants.gov APPLY

Office of Justice Programs

The OJP continues to include language in all solicitations requiring the submission of the Dun and Bradstreet Data Universal Numbering System (DUNS) number in every application for a new award or renewal of an award. The DUNS number is required whether an applicant submits

an application through OJP=s GMS or through Grants.gov. The solicitation includes instructions

on how to obtain the DUNS number at no cost and provides a toll-free number to OC=s Customer Service Center for assistance.

The OJP completed its grant forms data analysis in preparation for posting grants on Grants.gov in October 2004. As OJP already uses the Standard Form 424 for grant applications in its GMS, additional forms will not need to be developed by the Grants.gov staff for OJP's competitive funding opportunities.

The OJP automated interface between the OJP back-office system, GMS, and Grants.gov was fully tested and operational in May, 2005. The OJP posted two discretionary competitive grant application packages to Grants.govAPPLY in February and March 2005 during the system test. OJP will train the appropriate staff in the use of Grants.govAPPLY, so that 100% of OJP discretionary competitive grants for award in FY 2006 will be posted to Grants.gov Find and Apply.   The OJP received 267 applications from Grants.gov for its competitive discretionary grants, nearly double its original goal, demonstrating the improved outreach provided by Grants.gov.

Community Oriented Policing Services

The COPS Office has assessed the impact of the Grants.gov business case on our system, and realized that the establishment of a system-to-system integration between the COPS Management System (CMS) and Grants.gov would not only allow for the direct download of information from Grants.gov to CMS, but would also prevent the need to develop a public-facing grants system. This determination resulted in a corresponding cost avoidance of a $5 million start-up fee with a $2 million per year annual maintenance charge that is required with such a public-facing system.

The COPS Office has posted 1 open and 3 targeted grant opportunities on Grants.gov in FY 2005 and has received 65 applications to date. Two of these solicitations are still open for submission and another 50 applications are expected.

The COPS Office on May 19, 2005 successfully completed the system to system connection with Grants.gov. All applications received via Grants.gov are automatically transferred to the CMS which then allows staff to view the application and process it via an electronic method. All application files are stored electronically and can be emailed to various program teams during the application review process.

We have continued our outreach on the DUNS requirements and Grants.gov registration requirements by including checklists and fact sheets in the application instructions, distribution at conferences, emails and other electronic means such as compact disk (CDs).

Other

$ Current initiatives include expanding the OJP's GMS to provide complete end-to-end support for all phases of the grants life cycle. This expansion includes adding grant monitoring, grant adjustment notices, and close-out capabilities.

$ The DOJ continues to make progress towards the use of ASAP.gov for payments. This includes continuing to develop an interface from our accounting system to the Automated Standard Application for Payments (ASAP) as well as participating in the User Acceptance Testing (UAT) of ASAP.gov.

$ The OJP has established several internal working groups to enhance our internal business processes, to strive for a paperless environment and to further streamline the grant making process. One of the internal working groups is the Business Process Improvement (BPI), an OJP Executive Steering Committee (ESC) initiative, that supports the OJP Management Plan goal of improving OJP's core business processes. The goal of BPI is to improve cost effectiveness, level of employee burden, timeliness, and customer satisfaction by creating standard business architecture for common, repeatable processes in OJP, while capitalizing on the incremental improvements included in the current GMS build-out. The BPI effort at OJP encompasses a variety of business processes including Grant Adjustment Notifications (GAN), Grant Closeouts and Peer Review. For each process, teams document and/or develop the "as is" condition, recommendations for improved processes, functional requirements, and policies and procedures.

Grant Adjustments - A GAN is an official notification to the grant recipient that incorporates changes to the initial award, e.g., change in project period, retirement of special conditions, changes in the approved budget, and etc. The GAN effort resulted in a recommended process with standard grant adjustment processing across OJP, full automation, expedited processing time, instant communication between Program Offices, Office of the Comptroller and the customer, real-time tracking capability to increase internal and external customer satisfaction. Moreover, the group also recommended a streamlined process that reduces the number of Grant Adjustment types from 25 to 13; and a standardized process that eliminates unnecessary levels of approval. Development of the Grant Adjustment module will improve core business processes by streamlining and simplifying existing manual and complex processes, reducing burden on staff by eliminating redundant tasks and better delineating responsibilities and automating processes while improving tracking and monitoring of grant adjustments. Policies and procedures for the new process have been developed and we anticipate the roll-out of the new Grant Adjustment module in GMS to be completed in FY 2006.

Closeouts - The Closeout effort is currently underway and the goal of this project is to design a streamlined Grant Closeout Process that brings standardization, efficiency and automation to OJP. An automated process will result in a more efficient process by

maintaining an electronic record of closeout packages, allowing for electronic deposits, and by eliminating hand-offs, redundant checks and non-value added process steps. The recommendations also include standardized approvals. These recommendations are waiting ESC approval. Implementation will begin after approval.

Peer Review - The Peer Review process is integral to how Bureaus and Program Offices fund grant programs, yet the current module in GMS has several operability issues that limit its effectiveness as a tool for Peer Review. The recommended Peer Review process provides a beginning-to-end workflow and creates a more efficient process by improving existing functionality and adding new functionality. An enhanced automated solution facilitates the tasks required to be performed by the Program Offices, the centralized contractor, and peer reviewers. Improving existing functionality and adding new functionality will increase efficiency by automating workflow, providing improved information management, streamlining scheduling capability and improving peer review panel management. These recommendations are waiting ESC approval for implementation.

- In addition to working with Grants.gov, COPS has also supported the emphasis in the President's Management Agenda on expanded electronic government by increasing the number of activities that COPS grantees can complete online. This enhances information sharing between the Federal Government and state, local, and tribal governments and reduces the paperwork burden on the public. The COPS recently received OMB approval on a standardized and streamlined Department Annual Progress Report that incorporates COPS Count, a survey of grantees conducted annually to assess progress in the hiring, deployment, and redeployment of community policing officers, with annual progress report information. The report encompasses each hiring grant awarded to a grantee; thus eliminating the need for separate reports based on grant program type. The new report can be completed online and will greatly reduce the reporting burden on COPS grantees. In addition, the COPS Office is continuously working to improve its website. Currently, the public can obtain copies of COPS' publications, forms, and other community policing information on the COPS Office website.